

Kuali 2.0 Blog

Kuali is entering our second decade and we're innovating again. [Here are the details.](#)

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Kuali 2.0 FAQs

What is the mission of the new company?

To lead the development and ongoing support of beautifully designed, open source, cloud-based software to support administrative processes in higher education. The Kuali Foundation will continue to exist as a non-profit 501(c)3 and continue to provide Assurance Services for code escrow and coordinating activities among its members.

Why is the foundation board taking this action?

The board is responding to the input from community sessions held in Minneapolis and Salt Lake City this summer. After discussing our successes and challenges, four issues surfaced from these sessions that need to be addressed:

- Increasing the speed of product development/delivery
- Completing Kuali Student and Kuali HR
- Improving the usability of Kuali products, particularly for students and faculty
- Improving the sustainability of each product economically

Kuali has grown in breadth and complexity. Fifty-nine schools are using Kuali modules that include Finance (KFS), Student (KS) modules, Research (Kuali Coeus), Library (OLE), and Middleware (Rice). Just this month, Lehigh University and the University of Chicago cut over to the new Kuali OLE Library system. Another 100 are using Disaster Recovery (Ready) via a subscription service. This growth has brought new challenges that are best solved through a Kuali commercial entity. We will also better be able to serve the needs of non-Kuali members who want just an off-premise solution.

Will we retain our values?

Absolutely. We are avoiding traditional investment avenues to help the company stay aligned with higher education. Kuali will stay open and stay focused on creating products optimized for higher education. Because the Foundation is a co-founder of the new commercial entity we can ensure this will be a company that reflects an on-going focus on Kuali's core values.

Why is the foundation acting so quickly? Shouldn't there be more time for broader community input?

The Kuali Foundation hosted two Community Strategy Workshops during the summer with over 100 attending from the community. Each workshop concluded that the foundation should assess *adding* a Professional Open Source commercial entity for Kuali's second decade. Waiting would only delay progress and acceleration.

Where will the company be located?

This has not yet been determined.

Does the company care about profits?

Yes. The company will be a “for profit” enterprise, but one owned by and aligned with the higher ed community. The Kualu Foundation will continue as a not-for-profit, 501(c)3 entity.

Who will lead the new company?

Joel Dehlin will be a co-founder and Chief Executive Officer. Joel is an entrepreneur, CTO, and father of seven kids. He worked at Microsoft for a decade back in the dark ages and was CIO/CTO for the LDS Church. Most recently he was the CTO for Instructure.

From where will the founding investment come?

The Foundation will provide initial capital investment for the company out of its reserves. Future investment will come from entities that are aligned with Kualu’s mission and interested in long-term dividends. A first set of investors may be University foundations. There is no plan for an IPO or an acquisition.

From where will company revenue come?

- Software as a Service (SaaS) offerings of Kualu’s portfolio of software systems. Included in these are Finance, Student, HR/Payroll, Research, Library, and Disaster Recovery products.
- Schools can continue to participate by contributing cash to individual Kualu projects to speed them up.
- Contract development services for software related to Kualu’s mission.

How will the technology be licensed?

This plan is still under consideration. The current plan is for the Kualu codebase to be forked and re-licensed under Affero General Public License (AGPL). AGPL allows customers to download and use the code at will, but requires partners trying to monetize the software to contribute code changes back to Kualu. This is intended to discourage partners/Kualu Commercial Affiliates (KCAs) from receiving revenue from hosting Kualu software, but does not prohibit them. There will be many other ways for partners/KCAs to have revenue. Of course, anyone will continue to be able to download and run the software.

What’s first?

The most important objective will be to stay focused on serving the current development communities and accelerating the pace of development for current products. Over time, products will be re-architected and/or re-created in a multi-tenant architecture.

Will investing institutions still be able to participate in Functional Council format to give direction to product development?

Yes! Kuali provides the best administrative software by higher education, for higher education, because we focus solely on higher education. This focus comes mostly from our functional experts, who play a critical role in developing the specifications for Kuali software. This essential activity will not only continue, but be enhanced in this new model.

Will we lose members?

Perhaps, but we will also gain new members excited by the potential of the new technology, new delivery models, and new leadership.

Will my membership transfer to the new company?

The company will not have members. Customers will sit on customer councils and will give feedback about design and priority. Customers are invited to “invest” in projects and products through the company to help move the work along. Members are encouraged to continue as Kuali.org participants.

Why would I want to continue to pay my Foundation membership?

The Kuali Foundation (.org) will still exist and will be a co-founder of the company. It will provide assurance of an ongoing open source code base and still enable members to pool funds to get special projects done that are outside the company’s roadmap. The fees for Foundation membership will be reduced.

Why would I stay in a Project (such as KC) if I no longer have voting/decision rights?

Kuali still needs support. Over time, the company will become profitable as universities choose to have the company host the software for them, but in the short-term, ongoing funds will be needed to continue development on key projects. Schools are encouraged to continue to contribute to projects they want to see move forward quickly. The company will interact closely with Kuali customers on customer councils, prioritization meetings, design meetings, and so forth.

If my school has implemented a Kuali system, what happens now?

You continue as you are and remain engaged through the Foundation and the Kuali Projects. The software is still open source and freely available, and it will continue to be supported and enhanced. The new commercial entity will provide an additional option, if you are using Kuali software through a cloud service now.

What are the impacts on my project’s work and are we now on hold?

Full steam ahead! Over time, we will work together with the project teams to make

improvements to advance Kuali into the next decade.

What happens to the Kuali Commercial Affiliates?

A faster pace for releasing code and more members will result in more implementations and more frequent upgrades. There will be ample and growing opportunities for the KCAs to engage with Kuali clients. The company would love for KCAs to take on 80% or more of the installation projects. The Kuali platform will continue to become more and more of a platform that KCAs can augment with add-ons and plugins. In addition, KCAs will likely be used to augment the company's development of core code and for software projects for Kuali customers.

What is the future of Rice?

The new company will take a strong leadership role in defining and supporting the platform that will be used across the Kuali products. We will continue to rely heavily on the community to help us make and implement these decisions. Over time, this stack will adapt as we move to a multi-tenant architecture, but the current stack will continue to be used for the current products.

What is the impact on the people currently doing the work?

The company will be hiring world-class employees, but we will also continue to be reliant on a vibrant, amazing community of contributors, including developers, sysadmins, interaction designers, QA engineers, product managers, project managers, subject matter experts, business analysts, process experts, and others. This initiative will broaden the scope for individual careers.

Is there a backup plan?

No, just as there was none with the creation of Kuali in 2004. The open source license and Assurance services of the Kuali Foundation ensure that anyone can always download the code and run it themselves. Adding a commercial entity to the Kuali Foundation is the best approach for accelerating our growth and protecting our values.

Will the new model cater to international user communities? Could a Kuali community in Europe or South Africa set up their own SaaS offering (with customized versions of products)?

The goal of the company is to serve the needs of higher education internationally. Services will be provided in key locations across the globe to attract and support international customers. Partners may be used to deliver these services.

